

DELTA PROTECTION COMMISSION

14215 RIVER ROAD
P.O. BOX 530
WALNUT GROVE, CA 95690
PHONE: (916) 776-2290
FAX: (916) 776-2293



May 9, 1997

To: Delta Protection Commission

From: Margit Aramburu, Executive Director

Subject: Disposition of Surplus Funds from FY 96-97 Budget

Background:

The Commission will have between \$35,000 and \$40,000 in unexpended funds in its FY 96-97 budget at the end of the fiscal year. The Commission received monies from three special funds: the Environmental License Plate Fund, the Delta Flood Protection Fund, and the Harbors and Watercraft Revolving Fund. The unexpended funds are from the Harbors and Watercraft Fund.

In prior years, the Commission has asked that surplus funds be directed to the Environmental License Plate Fund (ELPF) to repay the \$250,000 loan from ELPF provided for the Commission's start up costs in the Delta Protection Act of 1992. Repayment of the loan is due December 31, 1998.

At the last Commission meeting, the Commission requested that the approximately \$15,000 collected in fines be allocated to loan repayment. Residual funds from the original loan in the amount of approximately \$50,000 were also allocated to loan repayment at the end of FY 94-95. At the end of FY 95-96, approximately \$80,000 in funds were unexpended. The Department of Finance (DOF) refused to allocate those funds toward loan repayment because the request was received too late; the books had been closed on the fiscal year. However, even if the request had been timely, DOF staff raised concerns about shifting other special funds to the Environmental License Plate Fund.

Actions of Staff:

First, staff will work with Department of Conservation staff to allocate predicted expenses, mostly salaries, from the Delta Flood Protection Fund and the Harbors and Watercraft Revolving Fund, as suggested by the Budget, Finance, and Administration Subcommittee.

Second, Dan Siegel of the Attorney General's office is researching the issue of transferring money between the funds and will report to the Commission at the May 22, 1997 meeting.

Possible Expenditure of Unallocated Funds:

If the funds cannot be used to repay the ELPF loan, the Budget, Finance and Administration Subcommittee suggested it be expended. Any special funds allocated to the Commission in one fiscal year must be spent that fiscal year and cannot be carried over.

1. Expend for Commission Supplies

The Commission could purchase supplies, such as envelopes and paper, purchase postage, for a total of no more than \$5,000.

2. Expend for Equipment

The Commission could purchase equipment to replace equipment which is now four years old, such as fax machine, telephones, laptop computer, and purchase new equipment such as scanner, tape recorder, and/or slide projector, for up to \$8,000.

3. Expend for Data for the GIS

The Commission will be purchasing parcel data from the Delta counties to provide parcel based monitoring of land uses and land use changes. The data could be purchased this fiscal year. The estimated cost of the data is \$8,000 for the Primary Zone, and \$4,000 for Secondary Zone (the Secondary Zone data is optional).

4. Expend for Conservation Easement

A suggestion was made to expend the monies on a conservation easement in the Delta Primary Zone. Under Section 29756, the Commission "may promote, facilitate, and administer the acquisition of voluntary private and public wildlife and agricultural conservation easements in the delta". Due to the short time frame, the Commission would have to work with an agency which has already negotiated a conservation easement with a landowner and would have to designate the Chairman to make a final decision on behalf of the Commission. Staff has contacted Department of Fish and Game, the Wildlife Conservation Board, and Department of Conservation regarding possible projects and report to the Commission at the meeting.

5. Expend for Delta Research Projects

The Commission could contract with a State agency that has unfunded projects that would further the goals and programs of the Commission. For example, the Central Valley Regional Water Quality Control Board has two research projects which are currently unfunded. One is a sediment testing project. The Board recently collected

samples from 18 sites in the Delta and has performed toxicity tests. The samples are sitting in the lab, waiting for funding to test chemistry and make benthic assessments. Issues associated with characteristics of sediment are critical to dredging in the Delta, and to reuse of dredged material for levee maintenance and habitat enhancement projects. A second project will collect and test fish in the Bay and Delta for “priority pollutants of concern” (mercury, PCBs, and chlorinated pesticides). The Bay portion of the test is funded and is currently underway; the Delta portion of the project is not funded. The data collected will identify what levels of critical pollutants are found in the fish caught by recreational anglers, and use this information to update public health advisories. Fishing is one of the most popular recreational activities in the Delta.

Commission Action:

The Commission should receive the findings of Mr. Siegel, and if the unallocated funds cannot be used to retire the ELPF loan, the Commission should discuss possible expenditure of those funds, to be carried out with the review and approval of the Chairman.